

**CENTRAL ELECTRICITY REGULATORY COMMISSION
NEW DELHI**

**Petition No.17/RP/2022
in
Petition No. 452/MP/202019**

Coram:

**Shri I.S. Jha, Member
Shri Arun Goyal, Member
Shri Pravas Kumar Singh, Member**

Date of Order: 27th June, 2022

IN THE MATTER OF:

Petition for review of order dated 24.3.2022 and corrigendum order dated 26.4.2022 in Petition No. 452/MP/2019 relating to approval of revision of Lignite Transfer Price in respect of NLCIL Mines for the 2014-19 tariff period as per Ministry of Coal guidelines

AND

IN THE MATTER OF

NLC India Limited,
135/73, EVR Periyar Salai, Kilpauk,
Chennai – 600 010, Tamil Nadu,

...Petitioner

Vs

1. Tamil Nadu Generation and Distribution Corporation Limited,
NPKRR Maaligai, 144, Anna Salai,
Chennai – 600 002
2. Transmission Corporation of Andhra Pradesh,
Vidyut Soudha, Khairatabad,
Hyderabad-500 082
3. Southern Power Distribution Company of Andhra Pradesh Limited,
D.No:19-13-65/A, Srinivasapuram, Tiruchanoor Road, Tirupathi,
Andhra Pradesh - 517501
4. Eastern Power Distribution Company of Andhra Pradesh Limited,
P&T Colony, Seetammadhara, Vishakapatnam,
Andhra Pradesh – 503013
5. Transmission Corporation of Telangana,
Vidyut Soudha, Khairatabad,
Hyderabad-500 082
6. Northern Power Distribution Company of Telangana Limited,



H.No. 1-1-504, Opposite NIT petrol pump, Chaityanayapuri colony,
Hanmkonda, Warangal (Telangana) - 506 004

7. Southern Power Distribution Company of Telangana Limited,
2nd Floor, H.No.6-1-50, Mint Compound,
Hyderabad – 500 063

8. Power Company of Karnataka Limited,
KPTCL Complex, Kaveri Bhavan,
Bangalore – 560 009

9. Bangalore Electricity Supply Company Limited,
Krishna Rajendra Circle,
Bangalore - 560 001

10. Mangalore Electricity Supply Company Limited,
Corporate Office, MESCOM Bhavana, Bejai, Kavour Cross Road,
Mangalore 575 004

11. Chamundeshwari Electricity Supply Company Limited
Corporate office No.CA 29, Vijayanagar, 2nd Stage, Hinakal,
Mysore -570017

12. Gulbarga Electricity Supply Company Limited,
Station main road, Gulbarga -585 102, Karnataka

13. Hubli Electricity Supply Company Limited,
P.B.Road, Navanagar,
Hubli - 580 025

14. Kerala State Electricity Board Limited
Vaidyuthi Bhavanam, Pattom,
Thiruvananthapuram – 695 004

15. Puducherry Electricity Department,
137, NSC Bose Salai,
Puducherry - 605 001

.....Respondents

Parties Present:

Shri Kulamani Biswal, Advocate, NLCIL
Shri Ajitesh Garg, Advocate, NLCIL
Shri K. Nambirajan, NLCIL
Shri S. Ravi, NLCIL
Shri P. Ravikumar, NLCIL
Shri A. Srinivasan, NLCIL
Shri S. Vallinayagam, Advocate, TANGEDCO
Ms. B. Rajeshwari, TANGEDCO
Ms. R. Ramalakshmi, TANGEDCO

INTERIM ORDER

The Review Petitioner, NLCIL has filed this review petition against the Commission's order dated 24.3.2022 and Corrigendum order dated 26.4.2022 in Petition No.452/MP/2019 (in short 'the impugned orders') pertaining to the revision of Lignite Transfer Price of NLCIL Mines for the period 2014-19, on account of truing-up of additional capital expenditure, O&M Expenses, Removal of Over burden, consequent Depreciation and Return on Equity as per the Ministry of Coal, Government of India guidelines dated 2.1.2015.

2. Aggrieved by the impugned orders dated 24.3.2022/26.4.2022, the Review Petitioner has filed this Review Petition on the ground that there is error apparent on the face of the record on the following issues:

- (a) *Disallowance of additional capitalization in respect of 'New Assets' under heads of SI no. 6 to SI no. 9 (para 27);*
- (b) *O&M Expenses;*
 - (i) *Non-executive Wage revision impact for the period 2012-14 was not considered in trued up order for 2009-14 and 2013-14 trued up price has been considered as the base rate for 2014-19 truing up (para 35).*
 - (ii) *Imposition of escalation rate ceiling at 11.5% year on year mine wise contrary to the stipulation of MOC guidelines with respect to pooled mines for the period 2014-19 (para 39).*
- (c) *Disallowance of Stores for the purpose of interest on working capital instead allowed stores and spares. Also, the methodology adopted for arriving the Mines portion of spares is not in line with the actual consumption Stores & Spares in Mines (para 58).*
- (d) *Applicability of Surcharge/Interest on truing up from NLCIL to Beneficiary.*

3. The Review Petition was heard on 'admission' through virtual conferencing on 24.6.2022.

4. During the hearing, the learned counsel for the Review Petitioner submitted that there has been a delay of 16 days in filing the Review Petition, considering the original order dated 24.3.2022, on account of the delay in collection of data/information and intervening holidays. He however, submitted that there is no delay in filing the Review Petition,



considering the corrigendum order dated 26.4.2022 and accordingly prayed that the delay may be condoned. The learned counsel made detailed oral submissions on the issues raised in the Review Petition and also referred to the clarification letter dated 9.6.2022 issued by the Ministry of Coal, GOI. He accordingly prayed that the Review Petition may be admitted on the issues raised above, as there are errors apparent on the face of the record.

5. The learned counsel for the Respondent TANGEDCO appeared and raised preliminary objection on the 'maintainability' of the Review Petition. He also submitted that clarification letter of MOC, GOI dated 9.6.2022, issued after the impugned order dated 24.3.2022, cannot be considered, as the same is based on a clarification sought by the Review Petitioner (against the impugned order dated 24.3.2022). The learned counsel however, prayed that the Respondent TANGEDCO may be permitted to file its reply on the 'maintainability' of the Review Petition.

6. The learned counsel for the Review Petitioner submitted that the Review Petitioner may also be granted time to file its rejoinder to the said reply of the Respondent TANGEDCO.

7. The Commission, after hearing the parties, permitted the Respondent, TANGEDCO to file its reply 'on maintainability', on or before 13.7.2022, after serving copy to the Review Petitioner, who shall file its rejoinder, if any, by 22.7.2022. The parties shall ensure the completion of pleadings within the due date and no extension of time shall be granted for any reason.

8. Review Petition shall be listed for hearing in due course for which separate notice will be issue to the parties.

Sd/-
(Pravas Kumar Singh)
Member

Sd/-
(Arun Goyal)
Member

Sd/-
(I.S. Jha)
Member

